



الشركة الوطنية للتأمينات العامة (ش.م.ع.)
NATIONAL GENERAL INSURANCE CO. (PJSC)

Sustainability Report National General Insurance PJSC Year 2020

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activity of company and subdivisions

Data and prognosis of activity



1. Sustainability Overview

Founded in year 1980, NGI is a reputed insurance company. NGI is listed on Dubai Financial Market and head quartered in Dubai, United Arab Emirates.

NGI is a composite insurance company, which offers a multiple of insurance solutions catering to the requirements of retail customers to corporates. The product range of NGI includes life and non-life solutions. NGI holds the license of ‘participating insurer’ from the Dubai Health Authority, which allows the company to underwrite DHA’s essential benefits plan. The Company has presence across 4 emirates with 8 branches.

The Company has ‘A-’ financial strength rating from AM Best with AED 494 million as shareholders equity. NGI maintains strong solvency surplus and enjoys adequate capital base. NGI is backed by reinsurance treaties from A rated international reinsurers. Our major shareholders include strong banks (ENBD and Commercial Bank of Dubai) and reputed companies like Dubai Investments.

Being an entity, which values best governance practices and ethics, NGI is committed to adopt a sound ESG strategy to achieve its environment, social and governance objectives.





Dr. Abdul Zahra A. Ali Al Turki

Chief Executive Officer

Authorized Signatory (NGI)

Extending my warmest regards to the readers of this document, I am absolutely delighted to present NGI's first ESG report.

Our presence in UAE spans over four decades and throughout this time, we have earned the stature of trusted partner amongst our valuable stakeholders. **NGI immensely values the trust demonstrated by its customers, shareholders and the society and remains committed to the well being of its stakeholders.**

Year 2020 was a challenging and unprecedented year. Covid-19 has exposed the fragility of world's preparedness for such contingencies. Apart from covid and health challenges, we continue to face the challenges posed by digitalization, cyber vulnerabilities and climate changes.

NGI's Effective governance structure ensured that the Company remained resilient during the turbulent times and yet delivered strong results for the shareholders and respective stakeholders. **NGI is committed to maintain adequate solvency capital and will keep raising its balance sheet strength to protect the policyholder's interests.** NGI's Board and respective Board Committees consists of members from various educational and experience background to guide the long-term strategy and vision of the Company. ESG is one of the key objectives underpinned by the Board for the year 2021 and onwards.

While Sustainability was always core to our business, NGI is in the process of integrating United Nations Sustainable Development Goals (SDGs) to key areas of our services and operations. This report highlights our efforts and commitment to the cause of ESG. NGI strives to be a pioneer in customer services. We will continue to invest in people and technology to enhance the customer journey. In the year 2021, we look forward to continuing our sustainability efforts to create a better future for our societies and stakeholders.

Our Sustainability Report 2020



NGI strongly supports and believes in the SDGs pronounced by the United Nations. These goals are identified to resolve the world's utmost economic, environmental and social challenges.

This report documents the NGI's efforts to ensure adherence to set standards including the Global Reporting standards (GRI), United Nations Sustainable Goals (SDGs) and UAE's sustainability guidelines. Our sustainability efforts are planned to ensure alignment with the UAE's ambitions to create a highly productive economy, driven by innovation and technology while preserving the environment, and promoting the economy and social development. We have also considered the ESG guide pertaining to 'Principles for Sustainable Insurance¹' developed by UN Environment program's principle.

Since this is our first Sustainability report and NGI is amid formalizing its efforts on ESG front, this report contains forward looking statements, where the Company intends to design processes to achieve its objectives on sustainability. Our approach to sustainability is dynamic based on our brief risk assessment and materiality assumptions. This report is prepared to demonstrate our efforts and intentions to depict our commitment. NGI does not assume any obligations to update any information captured in this report. This report should not be construed as an invitation or recommendation to transact in NGI's shares. NGI assumes no responsibility for any loss or damage of whatever nature that arises due to use of this report.

1. Published in June 2020, developed by a team of representatives from multinational insurance companies, UN Environment Program and leading business schools.

Our Sustainability Approach

- Our ESG strategy is linked with our overall business strategy. NGI is setting up a committee to strategize and oversee respective ESG initiatives. The ESG Committee shall constitute of leaders from Executive and Operational functions.
- The Committee will be established to govern ESG matters and to ensure its effective assimilation into business operations of the Company. Additionally, the Committee would be responsible for reviewing our ESG strategy and progress. The Committee will monitor the progress of the various projects to ensure that the company very much remains on track to achieve its ESG objectives. The Committee will be tasked to provide periodic reports to the Board Nomination and Remuneration Committee.
- NGI's ESG strategy is based on following pillars: Focus on overall health of stakeholders, Green Operations, Environment friendly Investments, People, Sustainable governance.



NGI's Sustainability Framework

In order to undertake the materiality assessment, we have identified/documentated sustainability factors/framework:

Governance



- Sound governance framework and presence of governance Board Committees/functions;
- Code of Conduct, Whistleblower policy to ensure Ethical business practices
- Robust compliance framework in place

Climate Risk



To limit our environment footprint by

- Efficient use of energy & water, waste recycling
- Supporting green products, reducing paper usage, promoting ecological sustainability

Digitalization



- Implementation of solutions like online portals for customers, brokers, providers;
- Paperless insurance policies, files, regulatory submissions
- Secure work from home interface for employees

Social Responsibility



- Breast cancer awareness campaigns
- Organized Covid-19 vaccinations for employees, family and friends

Data Privacy



- Implemented robust security management system,
- Periodic reviews by External IT Consultants

Customer Journey



- 24x7 call center for customers
- Feedbacks are reviewed to measure customer happiness

Diversity & inclusion



- Focus on women leadership in managerial roles and efforts to ensure gender equality
- Ensuring balanced ethnic diversity
- Pricing of products does not discriminate based on gender or nationalities

Training & Development

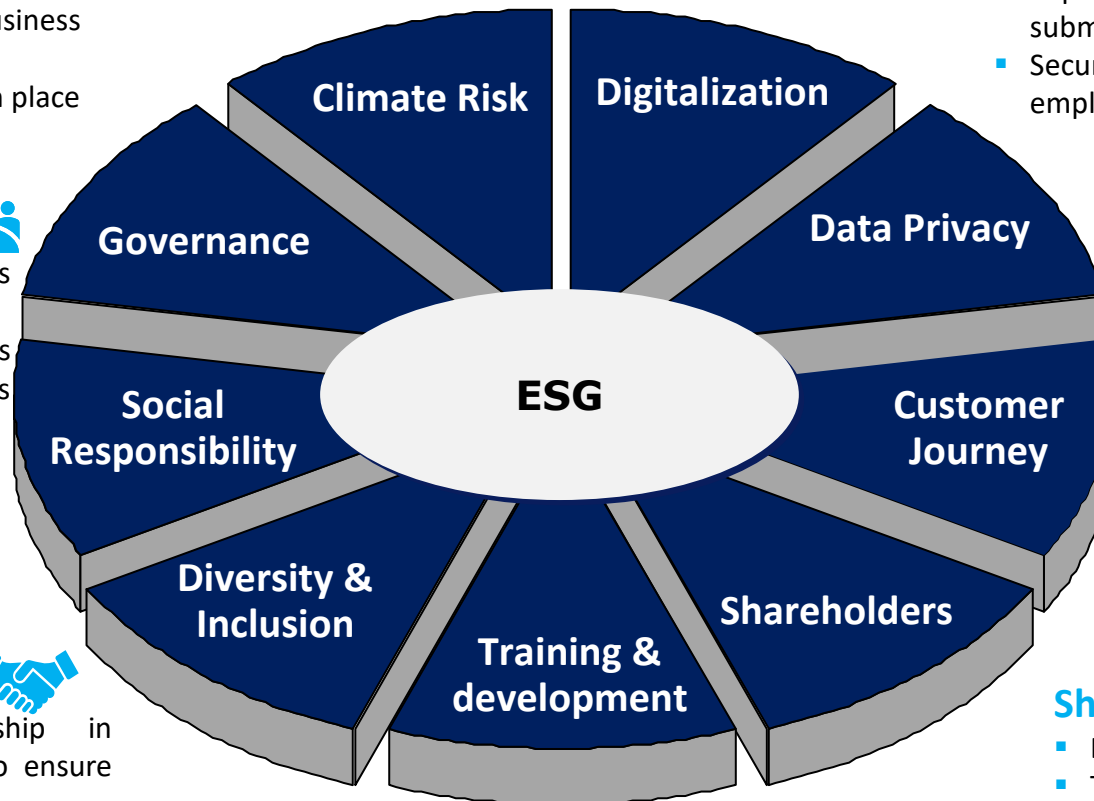


- In-house and external trainings for employees;
- Funding for employees' sports activities

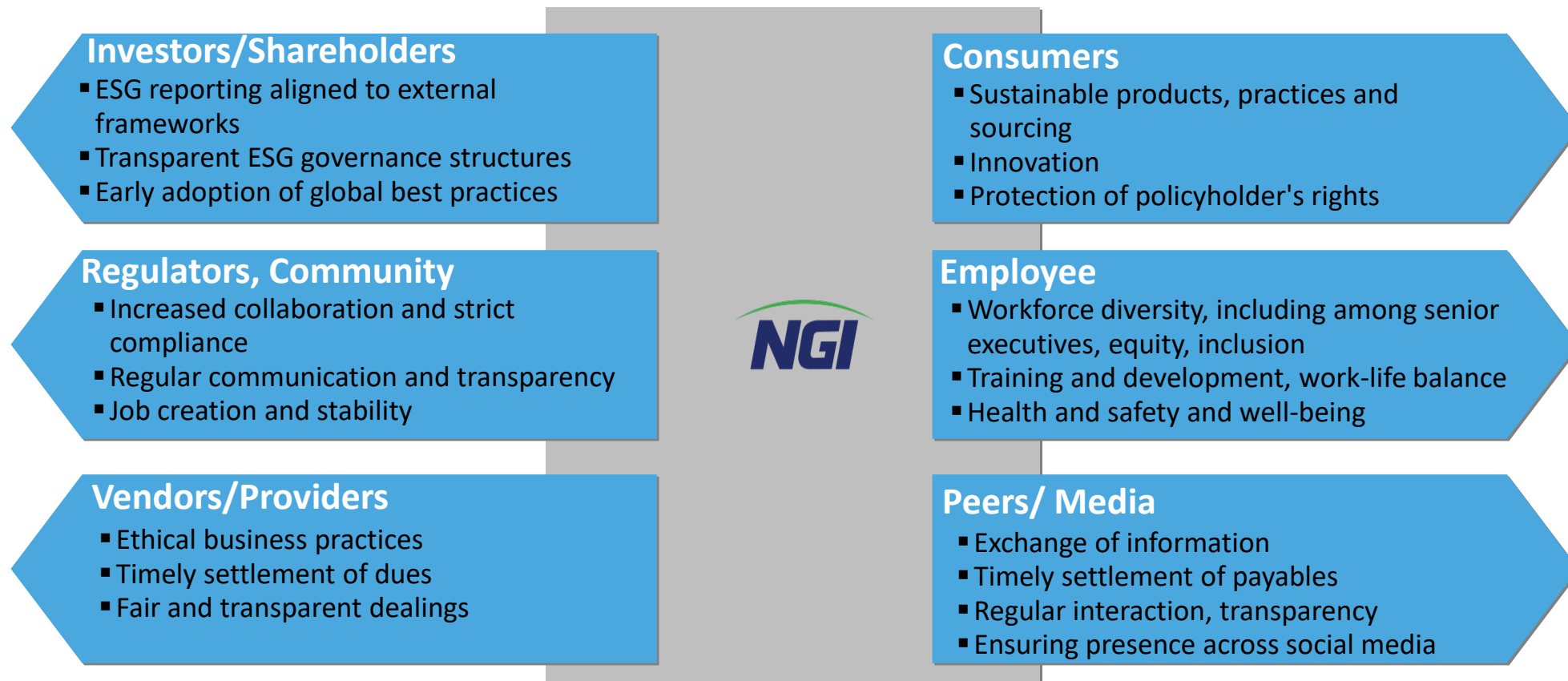
Shareholders



- Dedicated Investors relations resource
- Timely publication of financial information
- Follow-ups for pay-out of unclaimed dividends
- Consistent increase in Shareholder's equity

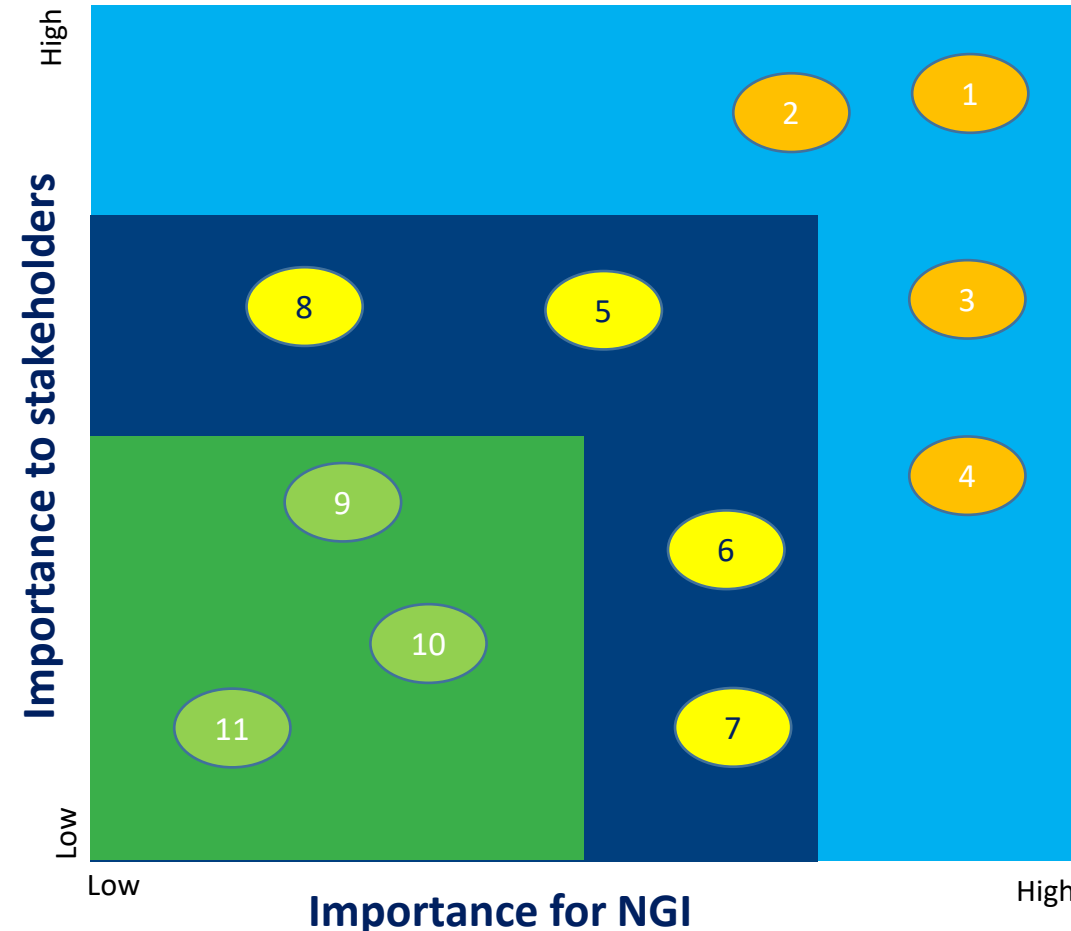


Identification of stakeholders is crucial for the materiality assessment. Based on the sustainability factors and through continued engagement & discussions that enables us to operate sustainably and meet expectations & concerns of our customers, shareholders, business partners, suppliers, employees, regulators, and other stakeholders’.



Materiality Assessment – Key ESG Risks

Materiality assessment was conducted to apprehend stakeholders' expectations and identify key ESG risks. We intend to continue our interaction with the key stakeholders to assess the relevancy of these material items. Based on the results of the materiality assessment process, we re-focus our efforts on the areas where we can make a difference.



High Priority

- 1 Climate change and disasters
- 2 Data privacy and Information Security
- 3 Pandemic, well being and health
- 4 Digitalization

Moderate Priority

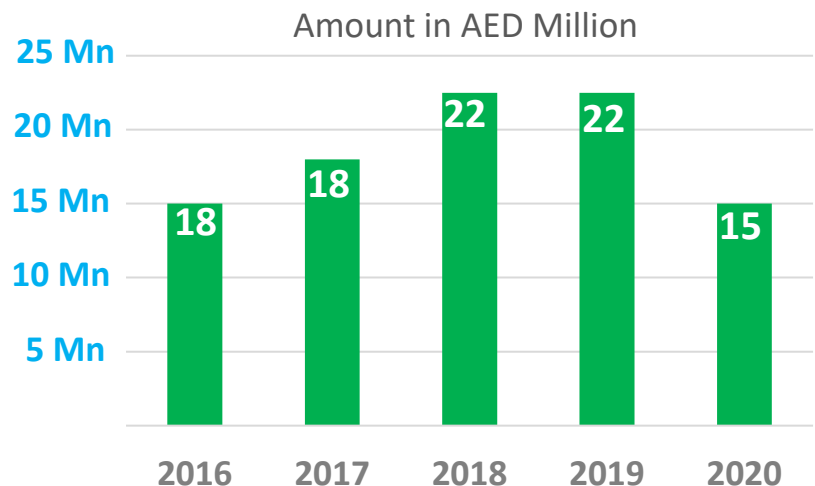
- 5 Diversity and inclusion
- 6 Corporate Governance
- 7 Ethics, Fraud and professional conduct
- 8 Reputation

Low Priority

- 9 Green operations
- 10 Training & development
- 11 Sustainable procurements

Year 2020 – Financial & Operational Highlights

Regular Dividend Pay-outs to Shareholders



Wealth Creation for Our Shareholders

Earnings per share	AED 0.31
Dividend per share	AED 0.15
Return on Equity	9.4%
Retained Earnings	AED 186 Million
Shareholder Equity	AED 494 million

Sound Operational Performance

Gross Written Premium of AED 579 Mn.

Gross Claim settled of AED 285 Mn.

Operating Profit of AED 48 Mn.



Strong Financial Performance

Net Profit of AED 46.1 Mn.

Investment income of AED 14 Mn.

Total Assets of AED 1.4 Bn.



“The United Nations has developed 17 sustainability goals and 169 targets in order to achieve key goals necessary to improve the overall well being and health of the world”.



In order to ensure improved sustainability performance, NGI is adopting a proactive approach to integrate ESG into various aspects of our business. This integration will encompass our core operations (underwriting, claims), corporate governance, risk management, strategies and reporting. NGI is reviewing and focusing on the SDGs earmarked by the United Nations so we can have the desired impact via our service offering, business operations and investments. *Applicable and relevant SDGs are referenced in different parts of this report.*



Responsible governance

Pg. # 13



Society, Stakeholders

Pg. # 18

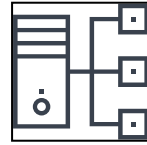


Environmental

Pg. # 28

A row of empty office chairs in a conference room, with a spiral-bound notebook and a pen in the foreground.

2. Responsible Governance



Effective governance is vital to sustainable value creation and preserving business integrity. NGI aims to achieve highest level of corporate governance, which sets the tone for success of our sustainability efforts. NGI has ensured wholistic compliance with set corporate governance codes and best practices.

The Board of NGI assumes responsibility for implementation of corporate governance practices. A detailed 'corporate governance report' is published by NGI, which is available at our website (www.ngi.ae) and DFM's website (www.dfm.ae).

The Board has deliberated and earmarked 'ESG Responsibility' as one of key strategic objectives of the Company for year 2021 and beyond. An ESG Committee to be established, which will report to the Board on the progress of ESG related matters. SDGs identified by the United Nations are carefully analyzed and factored in to the ERM strategy and ESG policy of the Company.



SDG 5

Gender Equality



SDG 10

Reduced inequalities



SDG 16

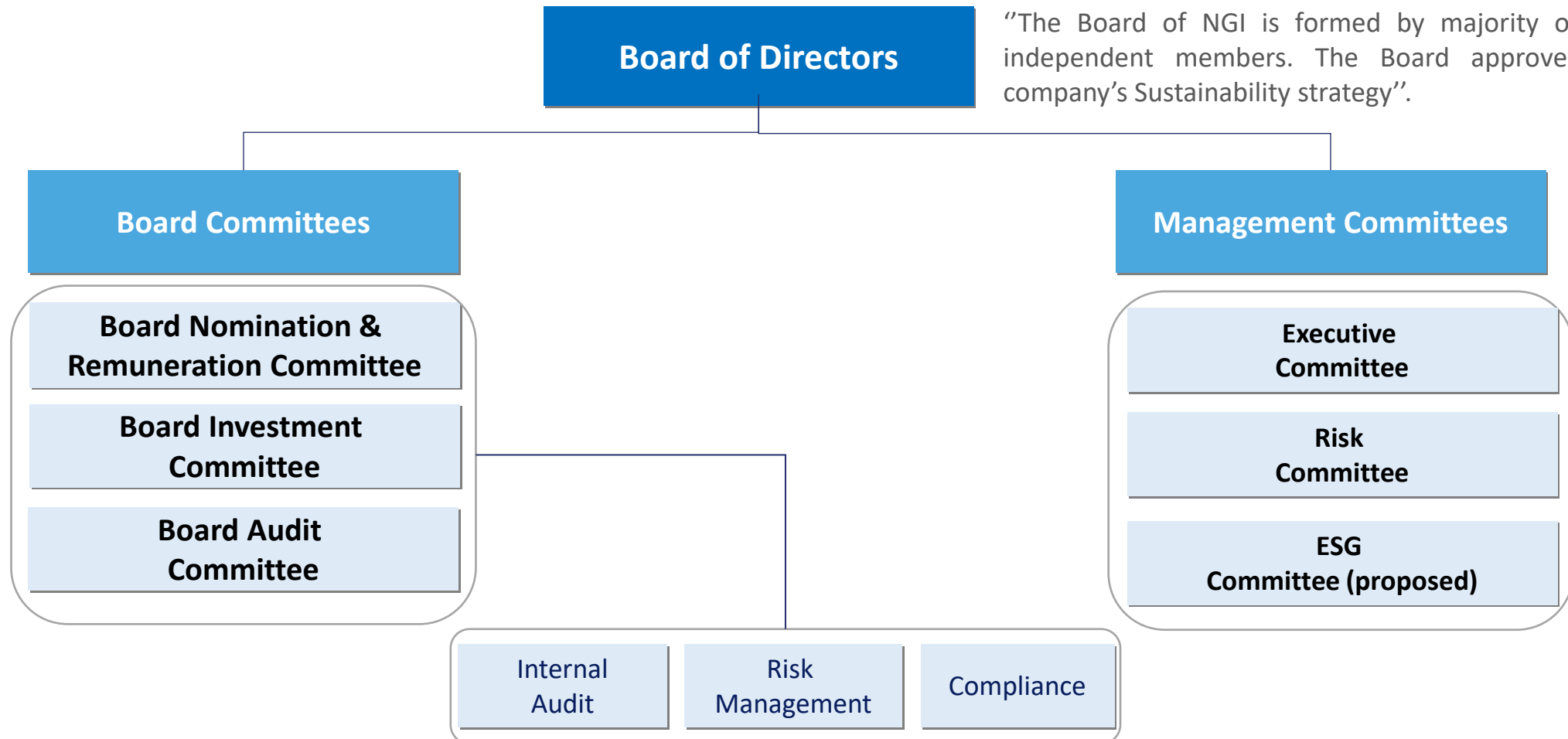
Peace, justice and strong institutions

Board Committees

NGI's Board and Executive Committees have an active role in supervision and implementation of governance framework. The Company has put in place committees such as Board Audit Committee, Investment Committee and Nomination & Remuneration Committee. These committees meet at least on a quarterly basis. There are defined Terms of References for the smooth functioning of these committees.

Independent Board

"The Board of NGI is formed by majority of independent members. The Board approves company's Sustainability strategy".



Our Governance Model

Our Control Environment

“NGI follows and believes in ‘three lines of defense’ Governance model formulated by the Institute of Internal Auditors”.

NGI has established key control functions to monitor, consult and report on key governance and operational risks. Clear charters and reporting lines are defined to ensure transparency and independence.

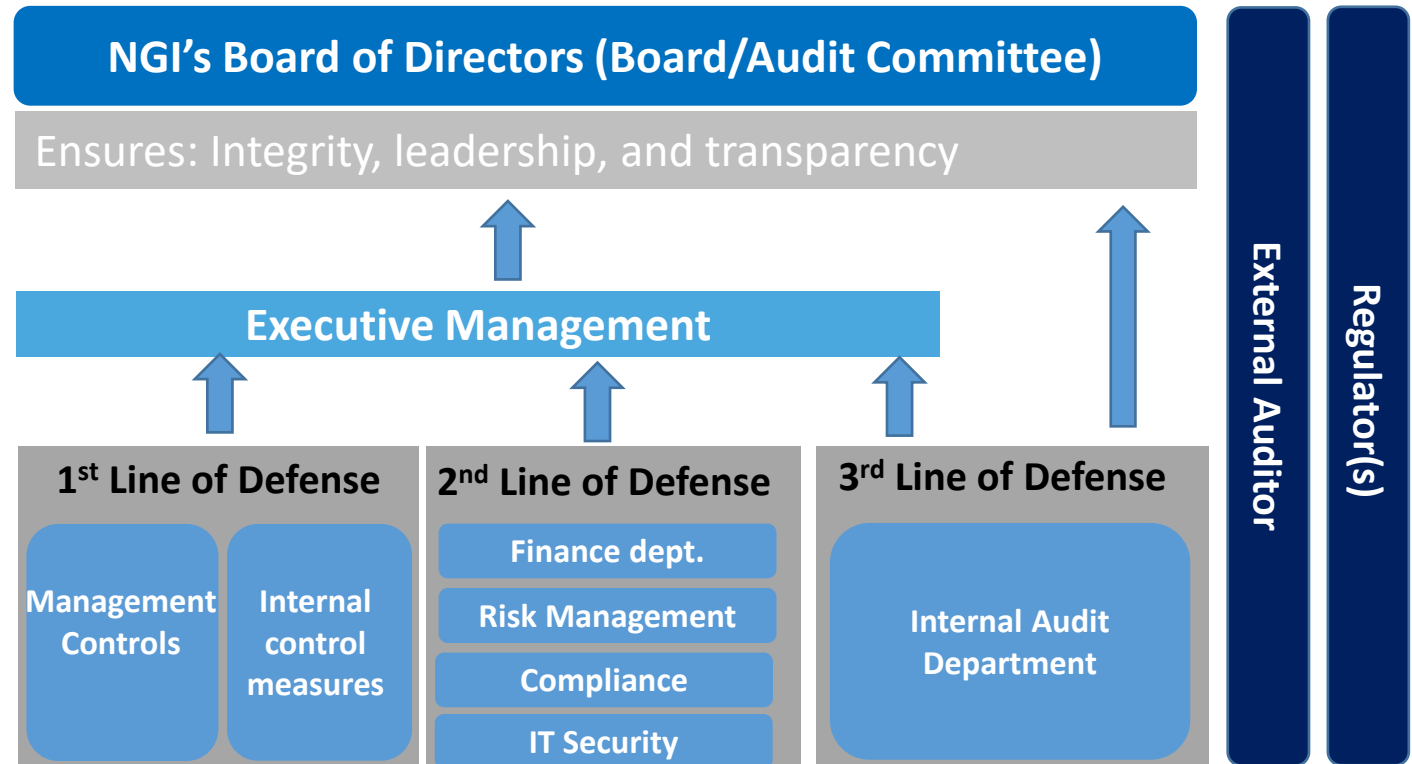
Internal Control Framework

NGI has adopted COSO based internal control framework and completed the first phase of its gap analysis. The company has well documented policies & procedures in place to guide business operations and ensure control effectiveness.

Strong Ethics and business code

NGI has defined and implemented policies pertaining to ethical conduct and transparency:

- Code of Conduct
- Fraud policy
- Insider trading policy
- Whistleblower mechanism



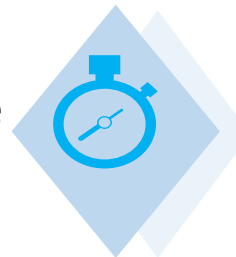
Risk Management



NGI has embraced a prudent, responsible and futuristic approach to manage risks. A Risk Management function is in place to assess key business and regulatory risks including the ESG risks. The department periodically assesses the status of actions undertaken to mitigate and report. NGI intends to identify and integrate ESG concerns into risk management and underwriting practices.

Compliance

Compliance function reviews the regulatory compliances and assesses the Compliance status to achieve complete adherence. Based on the ESG policy and reporting requirements, Compliance function will ensure review of ESG compliance requirements.



Whistleblower Mechanism



A whistleblower mechanism is in place to receive anonymous tips or complaints pertaining to potential fraud or compliance violations. Whistleblower mechanism provides the whistleblower an access to the NGI's Board of Directors.

Internal Audit

An independent audit function is set-up and resourced with skilled employees to undertake critical reviews of business operations, risk management and overall compliance environment. ESG being a key element under the business plan of 2021, internal audit reviews would be focused on compliance specific to ESG initiatives.



The background image features a hand in a dark suit jacket and white shirt, firmly grasping a translucent blue globe. The globe is textured with a grid of dots. Overlaid on the entire scene are various financial data visualizations, including candlestick charts with green and red bars, line graphs with blue and orange lines, and numerous numerical data points scattered across the frame. The overall color palette is dominated by blues, greys, and the white of the shirt, with accents of green and orange from the charts.

3. Society, Stakeholders

Our Continuous Support to Customers/ People



Year 2020 has been a tough year, causing significant loss of health, life and employment. NGI is committed to support our valuable customers during the ongoing crisis of covid-19.



■ For medical clients – NGI app provides clinic location, network info mapping

NGI APP



■ Revamped NGI's website to enable an enhanced experienced

Website



■ 24x7 customer service, Emergency and roadside assistance for our motor customers

Road Side



■ Web portal for retail insurance – seamless experience to the customer

Web Portals



■ Handled all customer complaints both from Insurance Authority and DHA vantage within defined TAT's

Complaints Handling



NGI
الشركة الوطنية للتأمينات العامة (م.م.)
NATIONAL GENERAL INSURANCE CO. (P)SC

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For More Details,
www.ngi.ae

*Terms & Conditions apply

IPL RADIO 94.3
OFFICIAL RADIO PARTNER

Customer's - Health Awareness Efforts in 2020

Being a leading health insurance provider, we acknowledge our responsibility towards our policyholders. The following summarizes our efforts towards our insured's:

▶ Prevention and awareness campaign regarding diabetes management within labor camp for our DHA basic policy members

▶ Prevention and awareness campaign on stress management for our members.

▶ Covid awareness which was done virtually to all our members with regards to home isolation and quarantine guidelines issued by DHA

▶ Covid awareness (close contact management, testing, retesting) imparted to the Human Resource leaders of select clients

▶ Organized on-site COVID testing at client premises for wellness and disease management

▶ Arrangement of annual wellness Health checkup for members who have this as an added benefit in their policy





2020 being a pandemic affected year, had caught the world unprepared. Covid-19 has severely daunted the erstwhile achievement on UN SDGs, especially those pertaining to poverty, healthcare and education. NGI has responded in the following manner to ensure service continuity and well being of our employees:

- Offered discounted Motor policies in view of the reduced movement of the people during Covid, retail motor pricing is still heavily discounted.
- Coverage of covid-19 health claims and fast track settlements of health claims.
- Coverage and facilitation of 'tele-consultation' claims.
- Remote working facility extended to ensure continuity of operations.
- Digitalization of underwriting and policy servicing operations.
- Frequent sanitization of workspace, ensured adequate spacing at workstations.
- Facilitated vaccination program for the employees and their dependents in-house to ensure quicker and higher rate of vaccination amongst our employees. NGI has achieved 100% vaccination rate whilst 85% employees were inoculated in-house.
- Increased investments in IT security and hardware to tackle data security and cyber risks to protect our customers data. Evoked business continuity plan during the lockdown period to smoothly serve the customers.

Reputation in claim settlement

Being a 'A-' rated insurance company (by AM Best), NGI is known to be a quick payer of insurance claims in the UAE Insurance industry.

NGI was awarded by the UAE Insurance Authority as "the Distinguished Company in the field of settling receivables in favor of Insurance Companies for the year 2020".

"NGI was awarded - The distinguished company in the field of settling receivables in favour of Insurance companies for the year 2020".



Employees – Our Partners

NGI's work environment and practices support employees by making sure that they possess and develop essential skills to serve our stakeholders. The primary goals of NGI's Human Resource strategy are to attract and retain best talents, promote diversity and equality. While employee well-being remains our key focus, we encourage and foster sustainable work culture, work-life balance and overall health of staff.



SDG 3

Good Health & Well being



SDG 4

Quality Education



SDG 5

Gender Equality



SDG 8

Decent work & Economic growth



SDG 10

Reduced inequalities



Our Workforce, Diversity and Composition

Inclusive, equal opportunity and diversified work force

With a workforce consisting of over 24 nationalities, NGI's workplace environment and staffing practices promote equal opportunity and derive its inspiration from UAE's vision of being tolerant and diverse. Whilst NGI complies with the Emiratization requirement, with each year we raise our bar further higher.

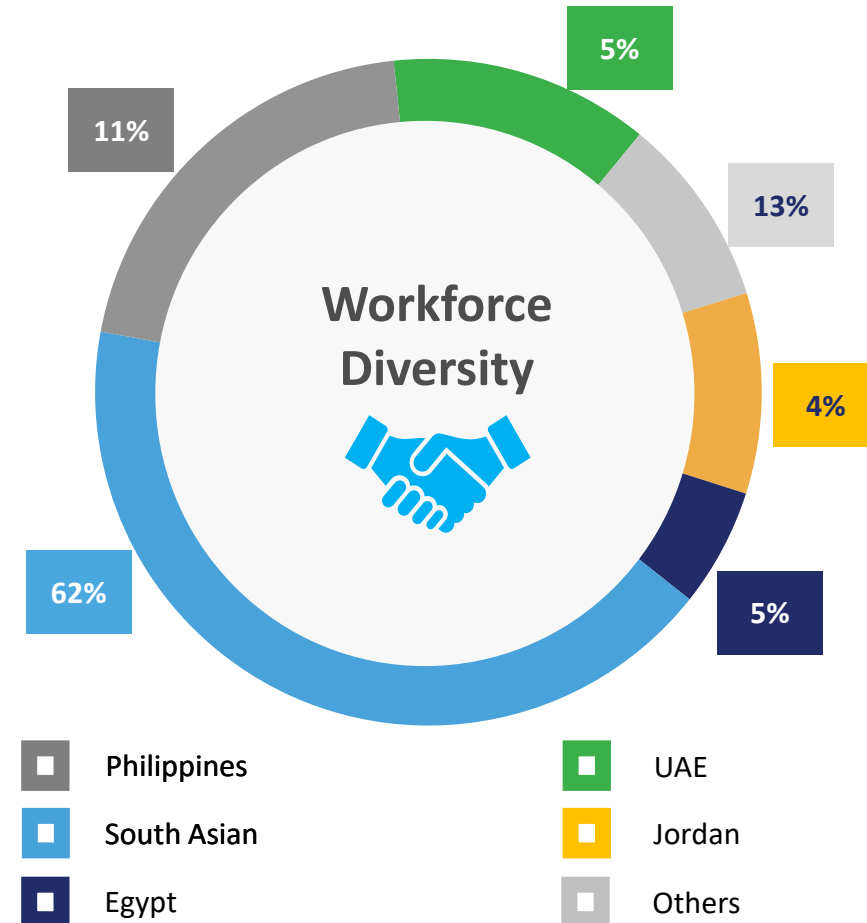
Total Employees
353

24 Nationalities

34% Female
66% Male

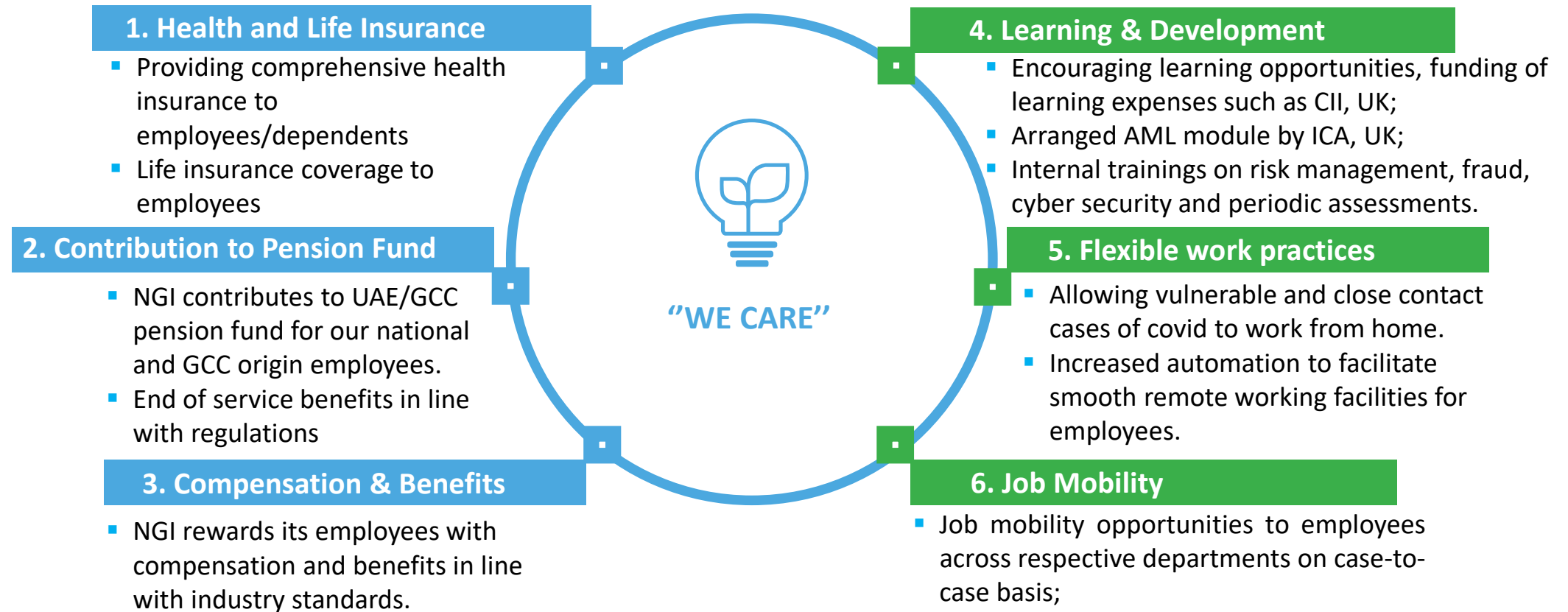


Age Group/ Count	Male	Female
18-30	25	20
30-45	147	71
45-60	57	25
Over 60	5	3
Total	234	119



Health and Financial well being!

NGI while being committed to value proposition for our customers and shareholders, we underscore the importance of our employees and their overall well being. NGI is one of the few entities with minimal attrition rates and we have employees who are with us over 2 or more decades.





Employee Events at glance!

NGI encourages employees to lead a healthy life and supports them while at the work as well.

- Promoting sporting spirit: NGI cricket team participated in Insurance Premier league. Apart from cricket, NGI encourages badminton, football and sports of employees liking.
- Flag day celebration at NGI Head Office.
- Arranged in-house vaccination for our employees and their dependents, contacts. Periodic health awareness campaigns.
- National day celebration and gifts and snacks distribution.

The Company has undertaken blood donation drives and employee's health awareness/test campaigns during the year 2019 and earlier, however, due to covid outbreak, such campaigns were postponed to year 2021.

NGI shall consider the following in integrating ESG principles in NGI business decisions. This includes:

- Embed in decision making ESG issues relevant to insurance business, committed to responsible underwriting.
- Drive claims management in line with ESG principles.
- Work together with governments, regulators and other key stakeholders in the industry and community to promote ESG initiatives.
- Accountability and transparency in regularly disclosing the progress in implementing the principles.
- Work together with clients and business partners to raise awareness of ESG issues, manage risk and develop solutions.
- Consider ESG based exclusions in Insurance and corporate policies.



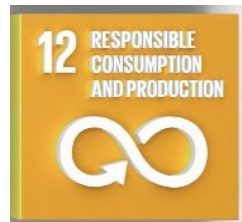
A pair of hands is shown holding a small green seedling with two leaves, growing out of a mound of dark brown soil. The hands are cupped together, supporting the plant. Surrounding the hands and the plant is a complex network of white lines connecting various white icons. These icons include a sun, a house with a leaf, a lightbulb with a plant inside, a thermometer, a water drop, a globe with a plant, a cloud with rain, a wind turbine, a recycling symbol, a tree, and a leaf. The background is a blurred green, suggesting an outdoor setting. A semi-transparent white rectangular box is centered over the hands, containing the text "4. Environment" in blue.

4. Environment

Our Environmental Priorities

NGI being a responsible entity is very thoughtful of its impact on the society and environment. SDGs identify our environmental priorities. Hence, we understand that major issues like climate change and its effect should remain our focal point. Insurers being a critical part of the value chain can play an extremely important role in making a positive impact on environment.

Our environmental goals and priorities are aligned with the UAE Vision to position UAE as a low carbon economy.



SDG 12

Responsible consumption and production



SDG 6

Clean water and sanitization



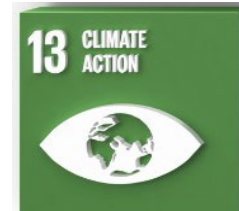
SDG 8

Promote sustainable, inclusive growth, employment and quality work



SDG 9

Industry, Innovation and Infrastructure



SDG 13

Climate action



SDG 3

Ensure healthy lives and promote wellbeing for all at all ages

We acknowledge the importance of minimizing the impact of our operations on environment. NGI continues to monitor its environmental footprint and implement energy efficiency measures. The following prioritizes our efforts:



- Replacing high energy consuming lights with energy efficient LED lights.
- Increased digitalization and process automation to reduce the use of papers, color print outs are minimized, back-to-back print-outs are encouraged.
- Papers are replaced in meeting rooms with on-screen meetings.
- Reduce our carbon footprint, manage the amount of waste produced from our operations
- Constant monitoring of our CO₂ emissions, power utilization and water consumption.

In year 2020, NGI decided to measure it's carbon emissions with an intent to ensure gradual reduction. We will keep monitoring this even for the future with an objective of accomplishing progressive improvement.

Our Environmental Footprint

Our strategy to sustainability is considerate of several aspects of our operations including our power & water consumption, carbon emissions, waste management and most importantly positive attitude of our people.

During the year 2020, the following summarizes the result of our efforts:



Power Consumption
Reduction by 5%
2019 to 2020



CO₂ emission
Reduced by 10%
2019 to 2020



Water consumption
Reduced by 7%
2019 to 2020



Power bill
Savings of 8%
2019 to 2020



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Thank You!